

Retirement Report

Bi-Annual Update for Nebraska School Employer Contacts

Winter 2008

We hope everyone had a good and safe Holiday Season! As the New Year begins, NPERS would like to share a few points to keep the reporting process working smoothly.

Enclosed are Recap Reports as well as Wage and Contribution Reports for disk and paper reporters. If you are an on-line reporter and send in a Recap Report each month, please be sure to use the newest version of the form. This can be found in the back of your Manual for Employer Contacts or downloaded from our website. Also enclosed is a listing of those members reported by your school and the demographic information for each that we have on PIONEER. **On-line and Disk Reporters:** Please review each member's address for accuracy and make any necessary corrections. Remember, in order for address changes to update on the system, the "Date of Address Change" field must be completed with a date that is within the current reporting period. *If you use the copy forward method of reporting, or for another option after your file has been uploaded, you can Edit the report, change the address on the individual's record, and choose Save at the bottom of the screen.* **Paper Reporters:** Please review for accuracy the demographics for each member on their printed Wage and Contribution Report. If there are changes to be made, please mark them in the "Changes/Corrections to Demographic Information" column on the right side of the form. Members without address information will not receive important mailings from our office unless we have an updated address on file.



Confirming Your Report

When confirming your report online, you must be sure to **complete** the confirmation process. When you choose the option "confirm", you will be taken to a screen that is titled "Confirm Report Totals". Some schools have seen the word Confirm and stopped at that point. However, the confirmation process is not complete, and the report is not considered received, until you have clicked on the button "**CONFIRM This Report**" at the bottom of the page. You will know you completed the process when you get to a screen titled "Report Confirmed". Please see your Employer Reporting Manual pages 3-44 through 3-48 for specific screen shots and example emails you will receive once the confirmation process is complete.

Note: If the **CONFIRM This Report** button is not visible or if you see N/A, review your report for an error message or contact our office for assistance.

Reporting Deadlines

In order to avoid late penalties, please follow these reporting guidelines...

The Wage & Contribution Report and payment must be submitted to NPERS no later than 10 calendar days after the payroll period end date. If the 10th day falls on a weekend or holiday, it should be received by NPERS the following workday.

Web reporters that remit via ACH – Report must be confirmed by the date due.

Web reporters that remit via check – Report must be confirmed by the date due and your check must be postmarked by the date due.

Disk and paper reports – Must be postmarked by the date due.

Required Documentation

Web Reporters that remit via ACH – All information is transmitted via the web, however you will need to send in any necessary completed adjustment reports. Your authorized signature is your login password and your payment is transmitted via the ACH system.

Web reporters that remit via check – You will need to send your check and any necessary completed adjustment reports. All information is transmitted via the web. Your authorized signature is your login password. Please be sure to identify your check by including your employer number (as assigned by NPERS) and the pay period for which you are remitting.

Disk reporters that remit via ACH – With your disk, be sure to include an originally signed completed recap and any necessary completed adjustment reports! Your payment is transmitted via the ACH system.

Disk reporters that remit via check – With your disk, you need to send your check, an originally signed completed recap, and any necessary completed adjustment reports.

Paper reporters that remit via ACH – You need to send a completed Wage and Contribution Report for each contributing employee, any necessary completed adjustment reports, and one completed originally signed Wage and Contribution Recap. Your payment is transmitted via the ACH system!

Paper reporters that remit via check – With your check you need to send a completed Wage and Contribution Report for each contributing employee, any necessary completed adjustment reports, and one completed originally signed Wage and Contribution Recap.

Late Fees

We would much rather receive timely, accurate reports than have to write late fee letters. We are permitted by statute to assess late processing fees for reports not received and/or confirmed by the date due. Reports must be accurate and ready to post to be considered received. If you are having trouble completing your reports correctly or on time, please contact us for assistance **prior** to the date due.

Adjustments

Please remember that all adjustments made on reports, including online reports, require written documentation. The School Adjustment Report Form can be found in your Employer Reporting Manual or downloaded from our website, www.npers.ne.gov.

Back pay and retroactive salary adjustments that are submitted in lump sums will need to be adjusted to the prior appropriate months. When entering adjustments, be sure to calculate the correct percentage rate for the time period you are adjusting.

REMINDER: Employers are responsible for any interest due to a member's account.

New Employer Contacts

When there is a change in the Employer Contact with your school, please be sure to contact our office and talk to Jason or Missy. To provide support and guidance in the reporting process, we feel it is important to work closely with new employer contacts to answer any questions and help in your transition. You should also download a new Employer Contact form on our website, fill out your new information, and send in to our office by mail.

Recordkeeping for Closed or Merged Schools

Maintaining records for closed or merged schools is a very important issue. When a school closes, or is merged with another school, it is the responsibility of the receiving school to maintain the employees' records. This is required through Statute § 79-485. This information is vital when determining years of service and when calculating future retirement benefits. Please keep these records available.

Contributions Remitted in Error

The following are examples of compensation that are not reportable for retirement purposes under the statutes. Contributions should not be withheld from the following:



- ◆ Payments for **unused** vacation or sick leave whether paid periodically or in a lump sum
- ◆ Insurance premiums converted to cash payments
- ◆ Reimbursement for expenses
- ◆ Employer paid fringe benefits (example: Long Term Disability (LTD) premiums)
- ◆ Retirement incentive pay or retirement bonuses
- ◆ Cash awards
- ◆ Severance pay
- ◆ Bonuses for services not actually rendered
- ◆ Payments an employee may receive from Worker's Compensation
- ◆ Disability paid by an Insurance Company
- ◆ Jury duty pay

7% Exemption Reporting

The 7% Exemption reporting went very well in its second year. Thank you to everyone! If you have not turned in an exemption report for 2007, please do so now or give us a call for any help needed.

Coaching

If it is not possible to track exact hours worked, the school and the employee need to agree on a "fair" number of hours to report. The key point to remember is be consistent in reporting extra hours with extra wages.



Also, please remember to report the hours with the wages. For example, if coaching wages are paid over 12 months, the hours should also be reported over 12 months.

Eligibility

If an employee is working at more than one school, their hours at both should be combined to determine eligibility. For example, if you have a permanent part-time employee who works 10 hours per week at your school and 10 hours per week at another school, it is a combined total of 20 hours per week and both schools must withhold and report retirement contributions.

Non-Contributing Forms

The Non-Contributing School Member Form (Form #NPERS2400) has been revised effective October 2007 (an email was sent October 16, 2007). Please throw away any old copies of the Non Contributing Member Form you have on hand. Also, please remove the old copies from the Forms section of your Employer Reporting Manual. You can download the new updated form from our website.

IMPORTANT – PLEASE READ

We would like to offer a friendly reminder to **please be accurate when completing the School Non-Contributing Member Forms**. Our Benefits Department relies on the reported information on this form to process a retiree's benefit. Unfortunately, the number of instances is increasing where inaccurate information on the Non-Contributing Member form has caused a delay in processing a member's benefit or has caused a recalculation of a member's benefit.

For example, on the form we ask for the month of the Wage and Contribution Report in which the member's final retirement contributions and hours will be reported. If the form reports June 2008, for example, the Benefits Department will base their processing decisions on that June 2008 date. If additional compensation and hours are subsequently reported on a later Wage and Contribution Report, it causes a re-evaluation of the member's account. Is the termination date correct? Is the member's effective date of retirement correct? Does the benefit need recalculated? Etc., etc., etc.

Another important line on the Non-Contributing Member Form is the line which reports the member's "termination date." Termination is defined as the date on which the member experiences a "bona fide" separation from service of employment. This is when the employer – employee relationship is dissolved. For example, if a teacher finishes the school year on May 25, 2008, but then continues working during the summer.....May 25, 2008 is *not* the member's termination date. The member's termination date is the day he/she finishes summer school.

The member cannot work past the date recorded on line 3 of the Non Contributing Member form (at least for 180 calendar days). Again, the Benefits Department bases their processing decisions on the information you report on the Non-Contributing Member Form. We have had instances where a member's effective date of retirement has changed because of a change to a member's termination date which resulted in the member having to repay benefits received in error.

The information received from the School employers is generally accurate and complete. It is our hope that

mentioning a few of the problems we have experienced in the past will alleviate some problems in the future, saving your office and ours valuable time.

Thank you for your efforts. As always, if you have any questions when completing the Non-Contributing Member Form, please feel free to contact our office for clarification.

Important Reminders!

Accounts Receivable/Payable – If you receive a letter due to an amount owed or a credit to be taken and have any questions, please contact us.

Sick and Vacation Hours – Used leave hours are to be reported with the salary. Unused sick and vacation pay should not be reported as retirement compensation. However, if the unused portion of vacation is used as an employee's "notice period" when leaving your employment, you would report it as retirement compensation and the employee's termination date would be the last date of the vacation leave. Please keep in mind that when processing retirement benefits, this could affect the employee's retirement effective date.

Internet – When accessing the NPERS website be sure to use **Internet Explorer**. Other web browsers do not always work well with our site.

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